

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1010 - HB 1393

February 13, 2023

SUMMARY OF BILL: Requires the Department of Children's Services (DCS) to include in the permanency plan of a child, who has been removed from a parent or guardian's custody due to drug abuse, the requirement that the parent or guardian submit to a monthly drug test and maintain negative drug test results to regain custody of the child. Establishes that such parent or guardian must maintain negative monthly drug test results for at least six months following the return of the child.

FISCAL IMPACT:

Increase State Expenditures – \$8,535,200/FY23-24 and Subsequent Years

Increase Federal Expenditures – \$3,970,700/FY23-24 and Subsequent Years

Assumptions:

- According to information provided by DCS, there will be an estimated 3,295 parents or guardians who will be required to submit to drug testing annually as a result of the proposed legislation.
- The proposed legislation does not establish the party responsible for covering the cost of drug testing. This analysis assumes that DCS will cover such expenditures.
- The average cost for a drug test is estimated to be \$99. Therefore, there will be a monthly cost of \$326,205 (3,295 x \$99) for drug tests.
- Pursuant to the proposed legislation, a parent or guardian is required to submit to monthly drug testing and maintain consecutive negative test results prior to having their child returned to their custody, which is assumed to mean at least two tests in a row, and then to submit to testing for at least six months after they regain custody.
- Therefore, it is assumed that these individuals will be required to submit to at least eight months of drug testing, which will result in a recurring increase in state expenditures of \$2,609,640 (\$326,205 x 8 months) in FY23-24 and subsequent years.
- It is assumed that a portion of these cases will be sets of parents, and that the total number of cases will be 2,197.
- The current DCS practice is to close a case once child custody is returned to the parent or guardian. However, the proposed legislation would require an additional six months of 2,197 cases being active.
- In order for the average case load of case workers to be 20 cases or less, this continuation of open cases would necessitate the following additional roles at DCS:

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- 110 Case Manager 2s, which will result in a recurring increase in expenditures of \$7,783,600 [(\$54,396 salary + \$16,364 benefits) x 110 positions] in FY23-24 and subsequent years;
- 22 Case Manager 3s, which will result in a recurring increase in expenditures of \$1,726,010 [(\$60,996 salary + \$17,459 benefits) x 22 positions] in FY23-24 and subsequent years;
- 4 Team Coordinators, which will result in a recurring increase in expenditures of \$386,576 [(\$76,595 salary + \$20,049 benefits) x 4 positions] in FY23-24 and subsequent years.
- The total increase in expenditures as a result of the new positions will be \$9,896,186 (\$7,783,600 + \$1,726,010 + \$386,576) in FY23-24 and subsequent years.
- The recurring increase in expenditures of \$9,896,186 will consist of:
 - 44 percent, or \$4,354,321 (\$9,896,186 x 44%), in DCS state funding,
 - 10 percent, or \$989,619 (\$9,896,185 x 10%), in Title IV-E federal funding, and
 - 46 percent in TennCare funding, which consists of:
 - \$2,981,038 (\$9,896,186 x 46% x 65.485%) federal funding and
 - \$1,571,208 (\$9,896,186 x 46% x 34.515%), state funding.
- The total increase in state expenditures will be \$8,535,169 (\$2,609,640 + \$4,354,321 + \$1,571,208) in FY23-24 and subsequent years.
- The total increase in federal expenditures as a result of the proposed legislation will be \$3,970,656 (\$989,619 + \$2,981,038) in FY23-24 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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